# GOVERNMENT OF INDIA
# STATISTICS AND PROGRAMME IMPLEMENTATION
# LOK SABHA

UNSTARRED QUESTION NO:3773
ANSWERED ON:16.08.2000
POVERTY LINE DEFINITION
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**Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:**

(a) the definition of poverty line in India and its comparison with the definition as prevalent in developed countries;

(b) the names of the items in the consumption basket;

(c) whether the Government are aware of inter-personal and intra-personal variation;

(d) if so, the details thereof;

(e) the difference between people living below poverty line both at the National and State level; and

(f) the measures being taken to bridge the gap between the two?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING, PROGRAMME IMPLEMENTATION, ADMINISTRATIVE REFORMS PUBLIC GRIEVANCES AND DISINVESTMENT (SHRI ARUN SHOURIE)

(a) : The Planning Commission based on the recommendations of the Expert Group on Estimation of Proportion and Number of Poor (Lakdawala Committee), uses state-specific poverty lines, derived from the national level poverty lines, using state-specific price indices and inter-state price differentials. The national poverty lines are expressed as monthly per capita consumption expenditure of Rs. 49.09 in rural areas and Rs. 56.64 in urban areas at 1973-74 prices corresponding to a basket of goods and services anchored on a norm of per capita daily calorie requirement of 2400 kcal in rural areas and 2100 kcal in urban areas. For developed countries, the World Bank has used the poverty line of two U.S. dollars per day of income or consumption at 1985 prices, adjusted for purchasing power parity.

(b) : The items in the consumption basket contained in the National Sample Survey data on consumer expenditure in 1993-94 (NSS 50th Round) are given below.

1. Cereals

2. Gram

3. Cereal substitutes

4. Pulses and Products

5. Milk and Milk Products

6. Edible oil

7 Meat, Egg and Fish

8. Vegetables

9. Fruits (Fresh)

10. Fruits (Dry)

11. Sugar

12. Salt

13. Spices

14. Beverages etc.

15. Pan, Tobacco and Intoxicants

16. Fuel and Light

17. Clothing

18. Footwear

19. Durable goods

20. Miscellaneous Goods and Services

(c) and (d) : The National Sample Survey Organisation in its report on Level and Pattern of Consumer Expenditure has published the data on consumer expenditure at the level of households. Data at the personal level are not available.

(e) : The per capita consumption expenditure of people below and above the poverty line at national and state level for the year 1993-94 are given in the Annexure.

(f) : The gap between the consumption expenditure of the poor and non-poor are attempted to be bridged by increasing the income of the people living below the poverty line that occur from the joint impact of general growth process and direct income generation of the poor arising from various anti-poverty programmes introduced from time to time by the Government for their upliftment.

Per Capita Consumption Expenditure1993-94 ( Rs. Per month)

| States | RURAL | | URBAN | |
|---|---|---|---|---|
| | Poor | Non-Poor | Poor | Non-Poor |
| Andhra Pradesh | 133.98 | 318.00 | 212.42 | 530.53 |
| Assam | 189.80 | 314.03 | 191.48 | 480.95 |
| Bihar | 158.86 | 301.10 | 185.40 | 441.32 |
| Gujarat | 166.14 | 342.42 | 232.59 | 539.88 |
| Haryana | 187.39 | 461.94 | 212.00 | 525.23 |
| Himachal Pradesh | 191.18 | 420.08 | 221.81 | 800.01 |
| Karnataka | 147.88 | 321.16 | 218.08 | 560.65 |
| Kerala | 191.50 | 459.43 | 219.84 | 582.98 |
| Madhya Pradesh | 148.42 | 322.93 | 229.87 | 575.07 |
| Maharasthra | 147.69 | 349.03 | 234.64 | 689.78 |
| Orissa | 147.79 | 291.00 | 217.75 | 534.39 |
| Punjab | 196.08 | 465.15 | 218.23 | 548.18 |
| Rajasthan | 170.95 | 376.88 | 218.40 | 515.24 |
| Tamil Nadu | 152.94 | 361.29 | 221.81 | 581.23 |
| Uttar Pradesh | 161.16 | 356.36 | 193.30 | 496.15 |
| West Bengal | 176.91 | 348.99 | 199.11 | 553.64 |
| All India | 159.18 | 354.01 | 212.82 | 575.36 |